

District of Columbia Department of Health
HRSA State Planning Grant
Health Care Coverage Advisory Panel Meeting
Minutes from January 10, 2005
The Urban Institute Katherine Graham Conference Center

The handouts distributed at the meeting included:

- Findings from a focus group with uninsured Latinos, by Pablo Aliaga
 - Highlights of public program initiatives in the District, by Robert Maruca
 - Cost Saving Options for District Health Programs: Framework for a New Strategy, by Kate Jesberg
 - Preliminary findings from focus groups with small business owners, by Ian Hill
 - Private-sector expansions: Introduction and options for further consideration, by Randall Bovbjerg and Barbara Ormond
 - Charts on estimate number of uninsured and percentage of the total uninsured population by income, firm size of employment, and program eligibility category, by Jen King
 - Draft chart on District population and coverage
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- Bailus Walker opened the meeting. Brenda Kelly reported on general business and progress to date and introduced new Panel members. Barbara Ormond spoke on the theme for the day and subsequent meetings. The goal of the meeting was to develop a list of potential public sector and private sector interventions for further investigation and discussion by the research team and the Panel.
 - Pablo Aliaga presented findings from a focus group with Hispanic men (see handout). The focus group was held in response to questions raised at the previous Panel meeting. Reactions from the Panel included: a) seems that problems related as much to accessing care as to accessing insurance; b) complaints about program/insurance intake might relate not to clinic employees but to Alliance outreach workers who are stationed in the clinics; c) findings highlight continuing language barriers, despite many years of attempted redress; d) non-English speakers other than Latinos also have problems; and e) given that so many of the focus groups participants are construction workers, should we think about potential role of Worker's Compensation.
 - Eugenio Arene responded to the findings from the point of view of the Council of Latino Agencies. He noted the following issues: a) availability of services in low-income areas is a problem for all racial and ethnic groups, not just Hispanics; b) social class affects access to care, which people in the U.S. are reluctant to discuss; c) Hispanics are shocked by the stark difference between the full range of subsidized health services provided free of charge in their home countries and the need for insurance in this country; and d) the Alliance is tremendously important for the immigrant community. He also noted that the vast majority of Latinos are working and paying taxes. Panel discussion included comments about a) the high percentage

of Latinos work and pay taxes; they play by the rules but are still not insured; b) Hispanics may be little different from other groups from the perspective of the work of the SPG; c) the community needs a healthy workforce; d) “modification 13” increased documentation requirements for the Alliance, which may be a source of many complaints; and e) “temporary protected status” gives many [Central American] legal, documented status but not eligibility for public programs.

- Some discussion ensued about Workers' Comp. One caution was that only a small number of individuals who file for workers compensation are uninsured so that, although Workers' Comp could be an important vehicle for providing protection, SPG efforts might be better focused elsewhere. Another suggestion was that day laborers are probably much like the rest of the workforce in access to insurance in their reluctance to reduce take-home pay to pay premiums. The difference is likely an issue of income rather than race.
- Brenda Kelly presented the target-population spreadsheets created to help focus discussion on large categories of uninsured people (see handout). This presentation drew attention to the large number of uninsured individuals who are full time workers for large companies, a group that normally has insurance. It was suggested that some large companies might try to get around offering insurance by requiring workers to wait for months before they qualify for the company insurance program. Alternatively, these may be new employees or those who decline participation.
- Robert Maruca highlighted public-sector programs in the District and explained the differences between state plan amendments and waivers as ways to expand Medicaid coverage (see handout). He discussed how MAA (Medical Assistance Administration) is currently working with IMA (Income Maintenance Administration) on streamlining enrollment into Medicaid. He noted that once even optional categories of people are given Medicaid eligibility, it becomes difficult to cut back later in response to budget problems.
- Kate Jesberg presented several options for Medicaid expansion that would save the District money by replacing 100% DC spending with 70/30 federal/DC spending. In particular, three groups currently served by the Alliance could be moved quickly into Medicaid (see handout). She also noted a “design flaw” in the Alliance that stipulates that enrollees may have no other insurance, even limited insurance--a disincentive for businesses to offer insurance.
 - Some subsequent discussion supported Jesberg's proposals but cautioned about the need to stay within the District's financial constraints. Discussion then turned to enrollment issues. One member asked about the cap on the sect. 1115 waiver program for childless adults. Maruca responded that this waiver is funded with DSH funds; projected expenditures beyond this limited budget have to be met with 100 percent local funds. In the near future (by March 2005), MAA hopes to move the

waiver population into managed care under capitation, which will allow better forecasting of the number of enrollees the program can afford to serve and may possibly allow an expansion.

- Gina Lagomarsino gave an update on the HIFA waiver. Mayor Williams is talking with CMS and OMB about waiving the normal federal requirements of maintenance of effort and budget neutrality. At the same time, the District is also working to submit state plan amendments to transfer many of the populations included under the HIFA waiver into Medicaid, in case the HIFA waiver efforts fail. Panel members suggested submitting state plan amendments while pursuing the HIFA waiver. Lagomarsino suggested that the District might do this for disabled Alliance enrollees (estimated at 2000 Alliance enrollees), who are expensive.
 - The Panel also discussed streamlining enrollment into public programs. Currently, IMA is working on a simplified enrollment form that would serve both Medicaid and the Alliance. A single form will help simplify the District's fragmented enrollment process. (Lagomarsino noted that moving Alliance enrollment functions to IMA is under consideration.) Enrollment of mental health patients by the Department of Mental Health, not IMA, which enrolls other Medicaid eligible populations, was given as an example as was enrollment of applicants accepted for Food Stamps, when income is also verified. This fragmentation is also apparent in reimbursement levels, which are different for Medicaid enrollees through the Department of Mental Health and Medicaid enrollees through IMA.
 - Debi Tucker noted that the biggest DRG in ERs is related to mental illness, and that, in addition to enrollment and reimbursement, problems include continuity of care and case management.
 - Sharon Baskerville noted that Council member Catania (new head of the Council's Committee on Health) favors "fully" funding Medicaid, but she noted that the local share is often hard to find within the budget.
 - Tucker cautioned that the \$76 million DSH allocation formula is set at the federal level and is not a District-level decision.
 - Walker suggested that "systems issues" in public programs, including implementation and ongoing administration, are a serious problem that has been identified many times but never successfully addressed. They could be the focus of a separate meeting. Lagomarsino noted that the Panel could develop a list of recommendations on systems issues for presentation to the Mayor and the Council. He proposed that the Panel meet again within the next month on this topic, with that meeting followed by a working group to draft a list of recommendations for the Mayor/Council. The group would organize suggestions and share these with the full Panel for feedback.
- Ian Hill reported on preliminary findings from focus groups with small business owners (see handout). Larry Berman then described the topics covered during a workshop he recently convened with small business owners at the Chamber of

Commerce to explain the health insurance options available to them. He said that many such businesses lack such information. The Chamber has some 2000+ employer groups, many of which are small businesses. He noted that few employers purchase POS plans; those who want to make out-of-plan options available purchase PPOs instead. HMO enrollment in DC is just under 200,000. HMOs cost about 10 percent less than PPOs. Consumer-directed health plans are a new and growing option with current enrollment estimated at around 3,000-5,000. Discount health plans offer rates 20-50 percent lower than insurance, but are just a buyers' group giving discounted provider fees and accepting no insurance risk. However, they appear to fill a gap for those without insurance, or may work with insurance to help people afford care under their deductibles.

- Wilhelmine Miller discussed an Institute of Medicine study from a couple of years ago that looked at small employer purchasing pool options. She noted that small employers use health insurance offer to compete in the labor market but they might need public subsidy to do so. She noted that the study found gender differences in offer rates.
 - Baskerville said that the Washington Council of Agencies used to offer health insurance for small not-for-profit groups, but costs kept rising and benefits kept falling. She suggested that we might need to consider reforms in the insurance market. Julie Hatton noted that pooling doesn't necessarily lower costs.
 - Kathy Rickford noted that the Consumer Services division of DISB is available to meet with groups who need information on insurance. Most of the Panel was unaware of this service.
 - Ray Terry noted that he is working with the American Institute for Research to put something together on options as a form of social marketing.
- Randall Bovbjerg presented on private sector options for further consideration (see handout).
 - Panel members expressed interest in looking in more depth at the pros and cons of the possible options. Some expressed skepticism about how much the District can learn from experience elsewhere. DC is a "city-state" facing unique challenges not faced by other states.
 - Don Cohn of AcademyHealth noted that all solutions involve tradeoffs. AcademyHealth has developed issue briefs on many of the options for SPG grantees. Panel members noted the need to adapt solutions tried elsewhere to the situation in the District and to consider sustainability (political and budgetary). Some of the same systems issues noted in the discussion of public options will also affect private initiatives. Improved health status will lead to fewer demands on the system. Unless we address health status, we will just shift and share a growing cost.
 - Lagomarsino summed up by suggesting that the Panel develop recommendations that will make current programs work better for the under 200 percent of FPL population, that the 200-400 percent of FPL

population will likely require a public or private subsidy so that they can join the market, and that finding public money to do so will be difficult.

Action Items

1. Look into the large number of full time workers who are uninsured in firms with 500+ employees.
2. Convene a smaller group to look at systems issues in public programs. This smaller group will look in depth at the different enrollment mechanisms, how they relate to one another, and ways to simplify the enrollment process and come up with recommendations to present to the larger Panel. This action item relates to one of the three initiatives as part of the larger grant: doing better what we already do.
3. Research the successes and failures that other states have experienced when simplifying and streamlining their public program enrollment processes.
4. Provide an overview of the full range of private program expansions that Bovbjerg discussed in his presentation, noting the pros and cons of each, to help Panel and SPG consider which deserve most attention.